

Tennessee Department of Labor and Workforce Development
Workforce Investment Act of 1998: Monitoring Review Guide and
Grantor Program Information Template

I. INTRODUCTION AND OVERVIEW

The fifth year of Tennessee's 5-Year Strategic Plan to implement the Workforce Investment Act of 1998 (WIA 1998) is underway as this monitoring guidebook is presented for state fiscal year 2003 - 2004. Federal support for WIA stems from the US Department of Labor, Employment and Training Administration (ETA) which delivers two basic funding streams: Title 1 (WIA) and Wagner-Peyser. The funds are distributed to sub-recipients in Tennessee by the Department of Labor and Workforce Development. This means that for the fourth consecutive year the Division of Employment & Training, Department of Labor and Workforce Development, is relying upon Program Accountability and Review (PAR), through the Resource Development and Support Division (RDS), Department of Finance and Administration (F&A), to conduct sub-recipient monitoring reviews of our contractors. OMB Circular A-133 and F&A's Policy 22 have defined our contractors as sub-recipients, and WIA 1998 requires that all WIA contractors should be reviewed at least once each year. **20 CFR § 667.400 (c)(2)**

A. Overview Of Tennessee's Plan

The plans put into place for WIA in Tennessee refocused the state's employment and training system upon seamless, One-Stop Career System Centers and their affiliates, designed to deliver streamlined services, universal participant access, local and private sector oversight, flexibility, accountability, and strong youth programs. In addition, WIA in Tennessee is the product of many plans, not just one; and the result of four years of local and state planning, and hard work, is a comprehensive approach to workforce investment in Tennessee.

On the local level, the parties to new workforce investment are LWIBs (Local Workforce Investment Board), LWIAs (Local Workforce Investment Area), One-Stop Career Centers (see **20 CFR § 662.200 Subpart B** for the list of allowable One-Stop partners), Youth Councils, and a wide variety of employers, community based providers, and private sector providers; on the State level, the parties to technical and administrative support stem from the State Workforce Development Board, the Youth Board, Labor and Workforce Development, Education, Human Services, Tennessee Board of Regents, Tennessee Higher Education Commission, AFL-CIO, and the University of Memphis. The emphasis of all parties to new workforce development is on a unified, and diverse partnership helping clients to good jobs and self-sufficiency, as well as assisting employers toward an educated and skilled workforce. Another major emphasis of WIA 1998 is to improve coordination between the various workforce investment partners: adult education, literacy, and vocational rehabilitation programs as well as the vocational education programs are addressed in separate legislation. WIA links programs and support in several ways, as follows:

- **State Board** - To guide development of the state's workforce system and coordinate the plans of federally funded programs.
- **Local Board** - Established by local elected officials to set policy and oversee job-training programs.
- **One-Stop Systems/Career Centers and/or Affiliate Sites** - Delivery systems for citizens and industry to explore career development or business services and access programs electronically.
- **Unified State Plan** - States may integrate planning for the use of federal funds by submitting unified plans for two or more workforce development programs.
- **Shared Accountability** - Accountability is measured by performance standards and levels proposed by states and negotiated with the appropriate federal agencies.
- **Common Terms** - Definitions for performance measures will be developed by special groups of public and private interests from the federal, state and local levels.
- **Waivers** - States may obtain waivers of administration to process regulations in order to bridge the boundaries between separate programs.

Other major points emphasized in the legislation include a "work first" approach - using the labor market to evaluate the pool of workers seeking employment and training assistance. Only those who fail to find work after the initial core services are eligible for the "intensive services" stage. Then, only those who do not find work after the intensive services will be eligible to receive Individual Training Accounts (ITAs) to pay for their training.

Title 1 and Wagner-Peyser make the unified partnership possible, and funds then are distributed in Tennessee through incentive and competitive grants to LWIAs. The formal grant recipients are the chief elected officials, or county mayors. **WIA § 117 (d)(3)(B)(i)(I)** Noncompetitive grant awards to LWIAs can be made under limited circumstances. **WIA § 171 (b)(2)(A)**. Partnerships on the local level and for the One-Stop Career Centers and affiliated sites are delivered in Memoranda of Understanding (MOU), as well as competitive cost-reimbursement contracts with eligible employment and/or youth program service providers. The designated agency is the Department of Labor and Workforce Development.

The purpose of the state-initiated grant contracts is to establish and support public programs that deliver accurate information and performance-based employment and training activities for adults, youth, and dislocated workers. The expected results of these contracts are to increase employment and earnings as well as educational and occupational skills, decrease welfare dependency, improve the quality of the workforce,

enhance worker productivity, the competitiveness of the nation, and continuous service improvement. This means that the opportunity to deliver employment and training services in the One-Stop partnership depends upon a proposed provider's designation or certification as an Eligible Service Provider. **WIA § 121** Eligible providers are identified according to performance, and through the state working in collaboration with LWIBs. Specific performance indicators are discussed separately in this monitoring review guide.

The grants awarded by Employment and Training consisted of, as they presently do, cost-reimbursement contracts awarded in most cases to local government, county administrative units. As provided in WIA 1998, LWIAs are permitted to submit optional modifications to their local plans during the 5-year period covered by their plan. Nine (9) of the thirteen (13) LWIAs submitted optional modifications to their plans for state fiscal year 2003 – 2004. **WIA § 112 (d)**

Additional emphasis is placed on quality service and continuous improvement in results. The aggregate effort of the providers in a Local Workforce Investment Area (LWIA) determines an area's annual performance, and the combined efforts of the areas will be reflected in statewide performance. All states were required to complete implementation of the federal workforce provisions by July 1, 2000.

B. WIA: First Years of Implementation

During the first four years of the program, the Department of Labor & Workforce Development's Employment and Training Section continuously engaged in conversations with LWIAs experiencing the challenges of implementing a new program. As a result, technical assistance was delivered to several of the areas by Employment and Training Technical Assistance staff.

WIA 1998 specifies performance measures and outcomes for all of its providers. As a result, during the initial years of WIA 1998, the Employment and Training section reviewed the implementation status of each LWIA. The section is required to provide such assistance to any area that is failing at least one of the federal/state performance measures. When such specialized assistance is provided and reports are generated, the reports will be forwarded to F&A's Resource Development and Support Division (RDS) for informational purposes. F&A's state monitors should follow the recently updated Review Guide (**Exhibit 1**) provided by the department's Employment and Training staff and any other financial accounting guides approved by the state Department of Finance and Administration.

The state-level partners and other community-based agency personnel have co-located staff and/or are linked electronically to provide a single point of entry for employment and training services. The state's 14 Comprehensive Career Centers and the 55 affiliate sites serve as anchors for the new Career Center System (**Exhibit 5**). Services for job seekers provided at the centers and affiliate sites include skill upgrading through training; job search and job placements; and assisting employers in staff recruitment for new and existing companies. Since the early Workforce Development planning meetings in July

of 1999, partner agencies and local entities have continued to work together to implement one of the best workforce systems in the nation.

C. Scope Of Monitoring

The definition of the scope of monitoring has been submitted by means of the Contracts Report, which is submitted by the department's Budget and Fiscal Services Office.
(Exhibit 8)

This report is the total list of sub-recipients for the state's 100 percent federally funded Workforce Investment program. It is the department's position, and the position of the federal funding agency that distributes WIA funds to the states, that such contractors should be monitored annually.

WIA § 184 (A) 4 of the Workforce Investment Act requires each Governor of a state receiving WIA Title funds "to conduct on an annual basis onsite monitoring of each local area within the state to ensure compliance with the uniform administrative requirement."
(Exhibit 6) 20 CFR § 667.400 (c)(2)

Employment and Training staff discussed the risk factors with our Budget and Fiscal Services office and modified a risk-based analysis form from another state agency to assess the risk level and determine which of our contractors were at higher risks than others. The results of this quick analysis of various factors support the need for monitoring on an annual basis.

(Exhibit 6) WIA § 184(a)(4) 20 CFR § 667.400(c)(2)

In order to conduct a thorough review, the F & A monitors must examine both the fiscal and programmatic aspects at the Administrative Offices and/or Comprehensive Career Centers within the LWIAs **(Exhibit 5, Career Centers)**. The updated Program Accountability Review Guide **(Exhibit 1)** and the Uniform Administrative Desktop Review instrument should be used to review expenditures, invoices, and contracts to tie information back to the contracts.

Prior to the monitoring reviews, PAR should receive a copy of the contracts from the department's Budget & Fiscal Office. As far as locations of the monitoring reviews, a fiscal review and a programmatic review can be conducted at the Administrative Offices. However, a programmatic review would be incomplete without the monitors observing "first-hand" the delivery of participant services that occur in this process at the Comprehensive Career Centers/One Stop shops and/or affiliate sites.

II. GRANTOR PROGRAM INFORMATION TEMPLATE

A. Purpose and Program Contact Information

This outline should be used to gather information concerning the programs PAR has been asked to monitor during fiscal year 2003-2004. By using the questions below as a guide, PAR should receive consistent information from all grantors about their programs. The grantor can answer these questions and submit the information to PAR, or PAR staff can use this document as a guide when conducting information gathering meetings with grantors. Much of this information will be useful during grantor training in the fall.

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B. Template Overview

The Workforce Investment Act of 1998 (H.R. 1385) rewrote federal statutes governing the nation's programs of job training, adult education, literacy, and vocational rehabilitation. The new federal legislation demanded that states build a more streamlined and a more flexible workforce development system that meets the needs of its customers and avoids the duplication of services.

To this end, WIA 1998 requires that a physical location in each LWIA be established which provides universal access to a specific array of Core and Intensive services delivered by One-Stop Career Centers (CC). **WIA § 121 (e)** Additional services, including Training Services, and access to Supportive Services also will be available in accordance with WIA 1998, E&T, and LWIB guidelines.

Alternate and/or affiliate offices also have been established in the LWIAs, linked electronically or physically (**20 CFR Subpart A 662.100 (d)(2)**) for ease of access to this single point-of-entry for employment services. Collaboration between state and local interests have created consortia in each LWIA which are operational with partners through MOUs, and together must make available and have the capacity to deliver the required menu of WIA methods of service delivery as follows:

1. Universal Labor Exchange Services:

This WIA menu of services applies to each category of participant described in the following text. Using State merit-staff employees, Core Services, and applicable Intensive Services, must be made available to all adults, youth, and dislocated worker; including all employers and job seekers, Unemployment Insurance (UI) claimants, veterans, migrant and seasonal farm workers, and individuals with disabilities. (**20 CFR Subpart C 652.207 et seq.**) (**42 U.S.C. 4701 et seq.**)

Core Services, with no eligibility requirements, consist of:

- a. Eligibility determinations
 - b. Job Search and placement assistance, including career counseling
 - c. Labor market information which identifies job vacancies, skills needed for demand occupations, and local, regional, and national employment trends
 - d. Initial assessment of skills and needs
 - e. LWIA performance outcomes
 - f. Assistance in establishing eligibility for welfare-to-work activities
 - g. Information about and referral to available supportive services, and
 - h. Follow-up services to help individuals keep their jobs once they are placed
- WIA § 134 (d)(B)(2)**

Intensive Services consist of:

- a. Comprehensive assessments
 - b. Development of Individual Employment Plans
 - c. Group and individual counseling
 - d. Case Management, and
 - e. Short-term, prevocational services
- WIA § 134 (d)(B)(3)**

Training Services consist of:

- a. Development of Individual Training Accounts (ITA)
- b. Occupational skills training
- c. On-the-job training
- d. Entrepreneurial training
- e. Skill upgrading
- f. Job readiness training, and
- g. Adult education and literacy

WIA § 134 (d)(B)(4)

Supportive Services, when not available from other sources, consist of:

- a. Transportation
- b. Childcare, and
- c. Needs related payments necessary for participation in WIA

WIA § 101 (46)

Program Service Providers

For-profit and non-profit providers may be used to deliver services. However, the training providers that the local workforce areas (LWIA) use for their respective areas must be approved by the Tennessee Higher Education Commission (THEC), as specified in Tennessee's State Plan, which is accessible on the department's website at <http://www.state.tn.us/labor-wfd/et.html>. The list of eligible training providers is routinely updated and can be accessed through the same hyperlink.

Allowable Activities: Focus Areas

It is important that PAR should review the IEPs (Individual Employment Plans) designed for participants and determine whether the plans have been implemented. PAR should expect to see CMATS documentation that can be used to examine and track the activities of participants. This system will allow the review of the individual plan designed for the participant of an assessment conducted and the activities the participant received to address his or her needs. In addition, assessment of the abilities of each participant is a vital part of the WIA program. The state has made the WorkKeys assessment tool available to all LWIAs to strengthen the partnership with employers who wish to use WorkKeys as a tool to determine the skills and potential of workers.

Policies

New policies have been issued and the changes made to previous policies may be found on the department's website or in an updated copy of the *Workforce Investment Programs Technical Assistance Manual*. In addition, you can see **Exhibit 7, Quick Reference Guide to E&T Policies**.

State policies are not referenced in the contracts. The policies issued for this program are routinely posted on the department's website at the Employment and Training web pages <http://www.state.tn.us/labor-wfd/et.html> after they are distributed via email and US mail to the LWIAs, and other WIA partners and contractors. The LWIAs either use the website, their email copies, or hardcopies. In addition, the section has developed a WIA/CMATS policy program manual and is in the process of updating the *Workforce Investment Programs Technical Assistance Manual* that is distributed to the LWIAs annually.

Sample Size Requirements

WIA federal regulations do not specify what percentage or how many of the participant files should be reviewed. If the standard review PAR conducts is 20%, it should be adequate.

Exception-Based Guides

The current F&A monitoring guide references policies and the *Workforce Investment Programs Technical Assistance Manual*. However, there have been policy changes and updates, and additional information has been added. As a result, we will be submitting updates to the F&A monitoring guides as well as copies of the updated *Workforce Investment Programs Technical Assistance Manual*. These materials will be emailed to the PAR office as well as provided to monitors during training if necessary.

Program Fiscal Guidelines

1. Matching
 - The grantor does not require a match
2. Davis-Bacon
 - There are no construction projects

For Exceptions to construction project guidelines, please see: 20 CFR 667.260
3. Allowable Costs
 - Budget revisions need to be requested whenever increases or decreases are approved.
 - Close-out reports are due forty-five (45) days after the end of the contract period.
 - Payment methods are based upon 'draw down requests' submitted to the Fiscal Office. Instructions from our Financial Management Handbook are "The draw down request is to be faxed to the Tennessee Department of Labor and Workforce Development no less than five (5) days prior to the anticipated date the funds will be required. All contractors must estimate needs based upon cash

outlays. Funds may be drawn down no more frequently than weekly.”

Program Fiscal Reporting

A monthly Expenditure Report is due on each contract by the 20th of the following month. A Quarterly Report reflecting accrued expenditures by cost category, when needed, on a cumulative basis must be submitted on each contract by the 20th of the following month, or a date determined by Fiscal Services if necessary. The Quarterly Report must reflect program income, if any, and rebates or refunds to any program. There is also a WIA Stand-In Costs Report that must be submitted if costs are to be considered as a substitute for disallowed costs as a result of an audit or other review. A Close Out package is to be completed on each contract due forty-five (45) days after the end of the contract period.

2. Non-Discrimination

The Department of Labor and Workforce Development, State and Local Workforce Investment Boards, One-Stop Career Centers, service providers, vendors, and subrecipients are committed to full compliance with the following nondiscrimination and equal opportunity laws and implementing regulations:

- Civil Rights Act of 1964
- Rehabilitation Act of 1973, Section 504
- Americans with Disabilities Act of 1990
- Title IX of the Education Amendment of 1972
- WIA § 188, and
- The regulations implementing the statutory provisions

Additional nondiscrimination requirements and guidelines for subrecipient reviews also apply to all WIA funded activities described in this monitoring review guide, and are attached herein as **Exhibit 4**. Thus, PAR reviewers need to ensure that subrecipients are in compliance with the listed nondiscrimination provisions, in accordance with **TCA § 4-4-123**, and **TCA § 4-21-901 et seq.**, which are in place to ensure that:

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. (*United States Code, § 2000d*)

and that:

No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance . . . (*United States Code, § 1681*)

and

No person in the United States shall, on the ground of blindness or severely impaired vision, be denied admission in any course of study by a recipient of Federal financial assistance for any education program or activity, but nothing herein shall be construed to require any such institution to provide any special services to such person because of his blindness or visual impairment. (*United States Code, § 1684*)

C. One-Stop Career System and Partners

Purpose: The One-Stop Career System centers and consortia partners administer and deliver employment services to adults, youth, and dislocated workers in order to improve access to WIA Title 1 program components and increase long-term employment opportunities for individuals. The required federal partners among the consortia include, among others, Veterans Workforce programs, Wagner-Peyser programs, Adult Education and Literacy, Rehabilitation Act of 1973 programs, Social Security Act, and Trade Act of 1974 programs. (An exhaustive list of required partners can be found at **WIA § 121 (b)(1)(B)(i-xii)**) It is allowable for additional entities to be named in the MOU, or included in competitive grant announcements, in order to administer and deliver TANF programs, National and Community Service Act programs, and more. **WIA § 121 (b)(2)(B)(i-v)** The following service components are provided through the One-Stop Career Center System:

1. **Adult Program** – The purpose of the Adult Program is to provide core, intensive, and training services to adults who need employment, education, training or support services under WIA Title I programs.

Adult Program Eligibility

The following is a description of eligible adults under WIA.
Individuals must meet the following criteria: ***E&T Policy Memo 00-10***

1. Ages 18+

Adult Eligibility Documentation

PAR should ensure that eligibility is verified. The WIA Title 1 program is delivered statewide through the Career Center system which provides universal access to participants who are adults, youth, and dislocated workers, and employers. The allowable use of funds is determined by the eligibility criteria for each specific program or funding stream, and the individuals needs. The following is a list of basic, adult program eligibility requirements:

1. Social Security Number.
2. Proof of Citizenship or Permanent Residency Card.
3. Work Permit Issued by Immigration and Naturalization Service.
4. Receipt of Nondiscrimination Documents, with Signature of Participant
5. When funds for adult programs are limited (75% expended by 3rd Quarter) proof of income or qualifying disability is an eligibility requirement. *E&T Memo 03-25*

Please note that the records needed to comply with requirements 1 through 3 shown above may vary. However, documentation of 1 through 3 shown above, at a minimum, may consist of one item from List A, or one-each of the items from List B and List C of **Exhibit 10. WIA/CMATS Program Manual**
20 CFR 663.640
Exhibit 10

Adult Program Outcomes and Reporting

The state plan, as well as each LWIA plan, includes information regarding goals for each performance measure and how services will be provided in order to achieve successful outcomes for each measure. Federal guidance describes the opportunity for additional program funds if performance goals are successfully achieved. There also are possible sanctions if performance goals are not met. Please see the attached *Table for State Performance Indicators and Goals*; and for reporting parameters, please see the associated *Table for Data Capture and Reporting*.

Four (4) required performance measures apply to adult programs for reporting outcomes, plus two (2) additional measures which apply to all youth, adult, and dislocated workers served by WIA 1998, as follows:

1. Entry into unsubsidized employment.
2. Retention in unsubsidized employment six months after entry into the employment.
3. Earnings received in unsubsidized employment six months after entry into the employment.
4. Attainment of a recognized credential by participants who enter unsubsidized employment.

20 CFR 666.100(a)(1)
E&T Memo 01-14

1. Participants are interviewed once services have been completed. Each survey has three (3) federally mandated questions with a scoring scale.
2. Employers are interviewed once services have been completed. Each survey has three (3) federally mandated questions with a scoring scale.

WIA § 136 (b)(2)(A)

2. **Dislocated Worker and National Emergency Grant Programs** – The purpose of the Dislocated Worker Program is to provide core, intensive, and training services to dislocated workers who need employment, education, training or support services under WIA Title I programs.

Dislocated Worker Program Elements

This program provides core, intensive, and training services through the One-Stop Career Center System for the two workforce program clients: job seekers and employers. The WIA goal of universal access is achieved, from among other strategies, through close integration of services provided by the Wagner-Peyser, WIA Adult and Dislocated Worker partners, and other partners in the One-Stop Career Center.

National Emergency Grant Program Elements

The purpose of National Emergency Grants is to provide supplemental dislocated worker funds to LWIAs and other eligible entities in order to respond effectively to workers and communities affected by major economic dislocations and other dislocation events which cannot be met with formula allotments.

The services to be provided in the Dislocated Worker and National Emergency Grant programs, as initially shown in the introduction to this review guide, include:

Dislocated Worker Program Eligibility

The following is a description of eligible dislocated workers under WIA. Individuals must meet the following criteria: ***E&T Policy Memo 00-10***

1. Has been terminated or laid off, or who has received a notice of termination or layoff, from employment.
2. Is eligible for or has exhausted entitlement to unemployment compensation; or
3. Has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in WIA

section 134(c), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and

4. Is unlikely to return to a previous industry or occupation.
5. Has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
6. Is employed at a facility at which the employer has made a general announcement that such facility will close within 180 days; or
7. For purposes of eligibility to receive services other than training services described in WIA section 134 (d)(4), intensive services described in WIA section 134 (d)(3), or supportive services; and is employed at a facility at which the employer has made a general announcement that the facility will close.
8. Was self-employed (including employment as a farmer, a rancher, or a fisherman) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters; or
9. Is a displaced homemaker. The term "displaced homemaker" means an individual who has been providing unpaid services to family members in the home and who-- (A) has been dependent on the income of another family member but is no longer supported by that income; and (B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Workforce Investment Act Technical Assistance Manual

WIA § 101 (9) (A-D)

WIA § 101 (10) (A-B)

Dislocated Worker Program: National Emergency Grants

National Emergency Grants are provided through WIA in order to deliver the following employment and training activities:

1. To provide employment and training assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or closures and realignments of military installations;
2. To provide assistance to the Governor of Tennessee within the boundaries of which is an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of the Robert T. Stafford Disaster

Relief and Emergency Assistance Act (42 U.S.C. 5122 (1) and (2)

3. To provide disaster relief employment in the area; and
4. To provide additional assistance to a State or local board for eligible dislocated workers in a case in which the State or local board has expended the funds provided under this section to carry out activities described in paragraphs (1) and (2) and can demonstrate the need for additional funds to provide appropriate services for such workers, in accordance with requirements prescribed by the Department of Labor.

WIA § 173 (a)(1-3)

Dislocated Worker Program Eligibility :National Emergency Grants

Eligibility criteria for employment and training assistance under National Emergency Grants are that an individual must be:

1. A dislocated worker;
2. A civilian employee of the Department of Defense or the Department of Energy employed at a military installation that is being closed, or that will undergo realignment, within the next 24 months after the date of the determination of eligibility;
3. Is a long-term unemployed individual, or is temporarily or permanently laid off as a consequence of a disaster.
4. An individual who is employed in a nonmanagerial position with a Department of Defense contractor, who is determined by the Secretary of Defense to be at-risk of termination from employment as a result of reductions in defense expenditures, and whose employer is converting operations from defense to nondefense applications in order to prevent worker layoffs; or
5. A member of the Armed Forces who-- (I) was on active duty or full-time National Guard duty; (II) is involuntarily separated (as defined in section 1141 of title 10, United States Code) from active duty or full-time National Guard duty; or is separated from active duty or full-time National Guard duty pursuant to a special separation benefits program under section 1174a of title 10, United States Code, or the voluntary separation incentive program under section 1175 of that title;
6. Is not entitled to retired or retained pay incident to the separation; and
7. Applies for such employment and training assistance before the end of the 180-day period beginning on the date of that separation.

WIA § 173 (c)(2)(A)(i-iv)

WIA § 173 (d)(2)

Dislocated Worker and NEG Eligibility Documentation

PAR should ensure that eligibility is verified. The WIA Title 1 program is delivered statewide through the One-Stop Career Center system which provides universal access to participants who are adults, youth, dislocated workers, and employers. The allowable use of funds is determined by the eligibility criteria for each specific program or funding stream, and the individuals needs. Dislocated Workers who need WIA services must provide:

1. Social Security Number
2. Proof of Citizenship or Permanent Residency Card
3. Work Permit Issued by Immigration and Naturalization Service
4. Self-employment documents such as tax forms
5. Divorce papers for displaced home makers
6. Proof of UI benefits or qualification for UI benefits
7. Layoff papers showing loss of employment
8. Receipt of Nondiscrimination Documents, with Signature of Participant
8. When funds for adult programs are limited (75% expended by 3rd Quarter) proof of income or qualifying disability is an eligibility requirement ***E&T Memo 03-25***

Please note that the records needed to comply with requirements 1 through 3 shown above may vary. However, documentation of 1 through 3 shown above, at a minimum, may consist of one item from List A, or one-each of the items from List B and List C of **Exhibit 10. WIA/CMATS Program Manual Workforce Investment Program Technical Assistance Manual Exhibit 10**

Additional Eligibility Guidelines for PAR

The preceding factors supersede the application of any of the following dislocated worker criteria (Exception: displaced homemakers and self-employed) and could affect eligibility:

1. Individuals who are unable to work for any reason and such condition can be documented are not considered eligible.
2. Individuals who are terminated or laid-off for cause are not eligible for dislocated services.
3. Individuals are not eligible if the closing or layoff constitutes a strike or lock-out.
4. Individuals who voluntarily terminate (quit) their employment are not eligible for dislocated services as a result of that dislocation.

5. The situation outlined in the last two circumstances above would not prevent an applicant from receiving dislocated worker services if the individual is awarded UI benefits as a result of mitigating circumstances surrounding the termination for cause or voluntary termination.
6. Applicants who are laid-off with recall rights should not be excluded from dislocated worker services based solely on the recall factor. This situation will apply primarily to organized labor with employment contracts.
7. Applicants shall not be considered eligible for dislocated worker services if the applicant has been dislocated for five or more calendar years from the date of attempted certification.
8. Applicant's termination must be permanent in nature.

Dislocated Worker and NEG Program Service Providers

In addition to the service provider guidelines introduced in Section 1. of this review guide, it is **IMPORTANT** for PAR to note that, in the National Emergency Grant program, approved service providers may not be listed in the preliminary list of approved providers as published by THEC.

Dislocated Worker and NEG Program Outcomes and Reporting

The state plan, as well as each LWIA plan, includes information regarding goals for each performance measure and how services will be provided in order to achieve successful outcomes for each measure. Federal guidance describes the opportunity for additional program funds if performance goals are successfully achieved. There also are possible sanctions if performance goals are not met. Please see the attached *Table for State Performance Indicators and Goals*; and for reporting parameters, please see the associated *Table for Data Capture and Reporting*.

Four (4) required performance measures apply to adult and dislocated worker programs for reporting outcomes, plus two (2) additional measures which apply to all youth, adult, and dislocated workers served by WIA 1998, as follows:

1. Entry into unsubsidized employment.
2. Retention in unsubsidized employment six months after entry into the employment.
3. Earnings received in unsubsidized employment six months after entry into the employment.
4. Attainment of a recognized credential by participants who enter unsubsidized employment.

20 CFR 666.100(a)(1)
E&T Memo 01-14

1. Participants are interviewed once services have been completed. Each survey has three (3) federally mandated questions with a scoring scale.
2. Employers are interviewed once services have been completed. Each survey has three (3) federally mandated questions with a scoring scale.

WIA § 136 (b)(2)(A)

- 3. Youth Program** – The purpose of the WIA youth program is to improve the delivery of services to young people, assisting them with the transition, expectations and skills needed for success in the workplace. The law calls for close linkages to local labor market needs and community youth programs and services, and with strong connections between occupational and academic learning. Youth programs include activities that promote youth development and citizenship, such as leadership development through community service opportunities; adult mentoring and follow-up; and targeted opportunities for youth living in high poverty areas.

Youth Program Elements

Ten program elements are required by law to be available to all eligible youth participating in WIA: **WIA § 129 (c)(2)**

1. Tutoring, study skills training, and instruction leading to completion of secondary school, including dropout prevention strategies.
2. Alternative secondary school services.
3. Summer employment opportunities linked to academic and occupational learning. Note: No separate summer program on allocation. Summer employment opportunities are to be one component in a year-round design. Summer employment opportunities must not be a stand-alone program separate from the year-round youth program and must include a follow-up service for a minimum of 12 months.
4. Paid/Unpaid work experiences. Note: Work experience can be in the public or private sector and must be tied to the student's academic and career goals.
5. Occupational skill training integrated with career goals.
6. Supportive Services
7. Leadership development opportunities.

8. Adult mentoring for not less than 12 months. Note: Mentoring can be during and after program participation.
9. Follow-up services for no less than 12 months. Note: Follow-up services are after program participation and is a required element for all youth enrolled in WIA.
10. Comprehensive guidance and counseling.

Each LWIA is responsible for identifying providers through a competitive bid process. This past year, the 13 LWIAs identified over 100 different providers. Providers included K through 12, post-secondary, technology schools, community-based organizations, and faith-based organizations, and human resource agencies.

Youth Program Eligibility

The following is a description of eligible youth under WIA. Individuals must meet the following criteria: ***20 CFR Subpart B 664.200***

1. Ages 14 – 21
2. Economically disadvantaged (up to 5% of the funds allocated to an LWIA may be used for youth that do not meet the income criteria),

And one of the following: ***20 CFR Subpart B 664.220***

1. Deficient in basic literacy skills.
2. School dropout.
3. Homeless, runaway, or a foster child
4. Pregnant or a parent.
5. Offender
6. Requires additional assistance to complete and education program or to secure employment (as defined in the LWIA plan).

Youth Eligibility Documentation

Eligibility is determined in a number of ways and can include: through the transfer of school records, income documentation, birth certificate, or participant statements. PAR should expect to see if eligibility has been verified, but due to the volume of youth participants, it is recommended that a 15% sample of records should be examined.

Additional Youth Eligibility Criteria

WIA does require that, of all eligible youth served, 30% of the funding is to be used to serve out-of-school youth. Out-of-School youth are defined as: ***20 CFR Subpart C 664.300-320***

1. Ages 18 – 21.
2. Economically disadvantaged (up to 5% of the funds allocated to an LWIA may be used for youth that do not meet the income criteria).

And one of the following:

1. School dropout.
2. High school graduate.
3. Holder of a GED, but is one of the following:
 - Basic skills deficient.
 - Unemployed or underemployed

Allowable Activities: Focus Areas

For accountability purposes, each LWIA is required to establish a Youth Council, which serves as an advisory board to the full Workforce Board. *WIA § 117 (h)* Youth Council responsibilities include:

1. Developing parts of the local plan relating to eligible youth, as determined by the chair of the LWIB.
2. Recommending eligible service providers to be awarded grants on a competitive basis to carry out youth activities under WIA, subject to approval of the LWIB.
3. Conduct oversight with respect to eligible providers of youth services in the local area.
4. Coordinate youth activities that include:
 - Provide eligible youth seeking assistance in achieving academic and employment success, effective and comprehensive activities, which shall include options for improving educational and skill competencies and provide effective connections with employers.
 - Ensure ongoing mentoring opportunities with adults.
 - Provide opportunities for training.
 - Provide incentives for recognition and achievement.
 - Provide opportunities in activities related to leadership development, decision-making, citizenship, and community service.
 - Other duties determined appropriate by the chair of the LWIB.

Mandatory Youth Council Membership

1. LWIB Members – Are members of the local board with special interest or expertise in youth policy. This includes

LWIB members both public and private with special interest or expertise in youth policy (if present on the board).

2. Youth Service Agencies – Are representatives of youth services, such as juvenile justice and local law enforcement agencies.
3. Public Housing Authorities – Local housing authorities.
4. Parents of Eligible Youth – Are parents of eligible youth seeking assistance under this subtitle.
5. Former Customers/Representatives – Are individuals including former participants, and representatives of organizations that have experience relating to youth activities.
6. Job Corps – Are Job Corp representatives (if appropriate).
7. Other Partners/Representatives – Are other members which may include other representatives as the chairperson of the LWIB, in cooperation with the chief local elected official, determines to be appropriate.

Youth Program Outcomes and Reporting

The state plan, as well as each LWIA plan, includes information regarding goals for each performance measure and how services will be provided in order to achieve successful outcomes for each measure. Federal guidance describes the opportunity for additional program funds if performance goals are successfully achieved. There also are possible sanctions if performance goals are not met. Please see the attached *Table for State Performance Indicators and Goals*; and for reporting parameters, please see the associated *Table for Data Capture and Reporting*.

Seven (7) required performance measures apply to youth programs for reporting outcomes, plus two (2) additional measures which apply to all youth, adult, and dislocated workers served by WIA 1998, as follows: **WIA § 136 (b)(2)(A)**

1. Older Youth (Age 19-21) **20 CFR 666.100 (a)(3)(ii)**
 - Entry into unsubsidized employment.
 - Retention in unsubsidized employment six months after entry into the employment.
 - Earnings received in unsubsidized employment six months after entry into the employment.
 - Attainment of a recognized credential relating to achievement of educational skills which may include attainment of a secondary school diploma or its

recognized equivalent, or occupational skills, by participants who enter unsubsidized employment or who enter post-secondary education, advanced training or unsubsidized employment. *E&T Memo 01-04*

2. Younger Youth (Age 14-18) **20 CFR 666.100 (a)(3)(I)**

- Basic skills attainment, and as appropriate, occupational skills attainment or work readiness skills attainment.
- Attainment of high school diploma or GED.
- Placement and retention in post-secondary education, advanced training, or employment, apprenticeships, or placement in the military.

3. Surveys

- Participants are interviewed once services have been completed. Each survey has three (3) federally mandated questions with a scoring scale.
- Employer are interviewed once services have been completed. Each survey has three (3) federally mandated questions with a scoring scale.

WIA § 136 (b)(2)(A)

4. **Statewide Programs**

Jobs for Tennessee Graduates

The Jobs for Tennessee Graduates (JTG) program is a collaborative effort of the Tennessee Department of Labor and Workforce Development and the Tennessee Department of Education. The program is designed to assist at-risk/disadvantaged youth in graduating from high school and finding and keeping quality jobs. The purpose of JTG is to focus on career development, job attainment, job survival, basic skills, leadership and self-development and personal skills. Upon meeting these personal and work-related skills, JTG meets the ten program elements established in WIA section 129 (c))(2). These elements encompass the overall issues of educational achievement, employment preparation, leadership development and support services.

JTG has 38 programs operating in 38 high schools located throughout the state of Tennessee, Local Workforce Investment Areas. Currently, a total of 2,698 students are being served through JTG (1,200 in-school and 1,498 follow-up services). Local high schools provide both multi-year and senior year school-to-work programs. There is an additional

drop-out recovery program that serves older youth who have dropped-out of high school and are seeking GED or equivalent credentials.

AFL-CIO Labor Council's Technical Assistance Program (TAP)

TAP is a dislocated worker program that provides technical assistance to labor unions and workers throughout Tennessee. It is a special project of the Tennessee AFL-CIO Labor Council with the cooperation and assistance of the Tennessee Department of Labor and Workforce Development. Through the program, dislocated workers are provided training activities that relate to problems they are facing in their time of need.

The TAP provides training activities that relate to the problems of workers whose place of employment is closed due to economic factors. The program has been structured and activated to respond to human needs and hardship incurred by the loss of jobs. The impact of unemployment and the pervasive economic damage resulting from plant shutdown weakens the human spirit and deprives families and their communities of the dignity and stability required in remaining healthy and productive. The TAP mission is:

- To serve the needs of dislocated workers by providing assistance in obtaining safe, satisfying, and productive jobs that support family living standards.
- To provide appropriate consultation and assistance related to rapid response through awareness of potential layoffs or plant closing, and on-going assistance in the formation and operation of labor management committees and transition efforts.
- To provide leadership in the community by conveying information about the availability of WIA services.
- To effectively disseminate the benefits resulting from program participation in early re-adjustment, with emphasis on enhancing basic skills and training.

The TAP will coordinate with "Working for America Institute" on its activities in WIA and Rapid Response services. Staff will attend Human Resources Development conferences and workshops throughout the year. In addition, TAP has projected a yearly activity plan that will be updated quarterly.

Plans also are underway for the TAP to be computerized in order to have the capabilities of being online with the Tennessee Department of Labor and Workforce Development, US Department of Labor, Economic and Community Development, and any other public or private organization that will assist dislocated workers.

Tennessee Higher Education Commission (THEC)

THEC's role with the Local Workforce Investment Boards include certifying eligible providers to be participants on the state provider list, storing student records from closed institutions or discontinued programs of institutions located in their respective local area, and assuring that no institution may solicit, recruit, award credentials, or operate as an Eligible Training Provider until such certification is granted by the Local Workforce Investment Board. Specific roles of the commission are listed below:

- Annually grant subsequent eligibility of providers by analyzing performance data.
- Conduct state-level appeals to determine whether or not a denied provider should be deemed eligible to participate on the State Provider List.
- Perform site visits to review, inspect and investigate as necessary, institutions holding a certification for participation.
- Work in conjunction with the Local Workforce Investment Boards to establish a deadline for submission of initial certification application packages, new program applications, and tracking information.
- Provide Local Workforce Investment Boards, state of federal agencies information pertaining to school closures under any condition.
- Provide Local Workforce Development Boards with performance reports on training providers.

Special Statewide Programs

Please note that special statewide programs may be implemented periodically under contracts during the state fiscal year. These contracts need to be scheduled for review by PAR in accordance with the regular review schedule for contracts listed on **Attachment B**. It is anticipated that these contracts and programs will involve participant services, and thus need to be reviewed using the guidelines for adult, dislocated worker/NEG, and/or youth programs.

Statewide Programs Eligibility Criteria

Eligibility for these programs is the same as in the other WIA programs or funding streams (Adults, Dislocated Worker, and Youth). However, the skill shortage grants eligibility criteria are somewhat different since the services are geared toward skill-specific training. Additional information regarding each statewide program is inserted in the

Workforce Investment Program Technical Assistance Manual.

Additional questions about these programs also are submitted for PAR in updates to the review guides utilized by the F&A monitors.

Statewide Programs: Focus Areas, Policies, and Test Sampling

Additional information and questions regarding each specific statewide grant or activity may be found in the state contract. Further, generic questions about these grants will be submitted to the PAR office for inclusion in the monitoring instrument used by F&A monitors. Also, WIA federal regulations do not specify what percentage or how many of the participant files should be reviewed. If the standard review PAR conducts is 20%, it should be adequate.

Statewide Programs Outcome Measures

The state plan, as well as each LWIA plan, includes information regarding goals for each performance measure and how services will be provided in order to achieve successful outcomes for each measure. Federal guidance describes the opportunity for additional program funds if performance goals are successfully achieved. There also are possible sanctions if performance goals are not met. Please see the attached *Table for State Performance Indicators and Goals*; and for reporting parameters, please see the associated *Table for Data Capture and Reporting*.

Outcomes for statewide funded programs are conducted in two ways. Contracts or funds that provide direct participants services; such as core, intensive, and training services, will be calculated for performance measures. If the contract provides core services for adults, the adult program performance measures will apply. If the contract provides direct services to dislocated workers, the dislocated worker/NEG performance measures will be used, and similarly for the youth program contracts. Please see the performance measures segments of this guide.

For contracts that do not provide direct participant services, but provide administrative types of services, such as the AFL-CIO, University of Memphis, or THEC contracts, performance measures will not apply. At the end of each contract year, the state will evaluate the terms of the contracts and make decisions whether to continue or discontinue contracting with the entities.

5. Incentive Grants

These grants are provided to States in recognition of performance that exceeds negotiated levels. The purpose of incentive grants is to carry out one or more innovative programs under WIA Title I, WIA Title II, or the Carl D. Perkins Vocational and Technical Education Act. Local incentive grant funds may be used for any of these activities, and other activities with the written approval of the Department of Labor and Workforce Development. Not all incentive funds are spent on participants, but if an LWIA's plan for incentive funds reflects participant services, then the incentive contract needs to be reviewed using the same guidelines as regular adult, dislocated worker, and/or youth program contracts.

WIA § 503 (a)

20 CFR 666.410

6. WIA Memoranda of Understanding (MOU)

Section 662.310 of the federal WIA regulations provides that the local areas may develop a single umbrella MOU covering all partners and the Local Board, or separate MOUs between partners and the Local Board. Due to the rapid expansion of the Tennessee Career Center System (more than 50 affiliate sites to complement the 14 original comprehensive career centers), the department opted to institute the single umbrella approach.

It was envisioned this process would assist both the Grant Authority and the Local Workforce Investment Boards by: (1) Allowing a partnering agency's Duration of Term to extend until the parties mutually agree to modify the agreement, (2) Streamlining the signatory process, and (3) Providing a simpler, yet more comprehensive composite of the Local Career Center System by delineating each partnering agency's contribution by each individual county Career Center facility.

Statutory requirements for the instrument are as follows:

1. The services to be provided through the one-stop delivery system;
2. How the costs of such services and the operating costs of the system will be funded;
3. The duration of the MOU;
4. The procedures for amending the memoranda during the term of the memoranda;
5. Methods for referral of individuals between the one-stop operator and the one-stop partners, for the appropriate services and activities; and

6. Such other provisions, consistent with the requirements of this Title, as the parties to the agreement determine to be appropriate.

The MOU contain the following elements:

1. MOU Boilerplate: Each partnering agency is listed under 'Parties to this agreement.'
2. Partner's MOU: Each party to the agreement's individual component consist of the following elements-
 - Cover Sheet identifying the partnering agency by name, address, and contact person;
 - Special Terms and Conditions Page allowed by the agency's contractual regulations to include a page labeled 'Special Terms and Conditions.'
3. Letter of Confirmation which indicates which required partners are not included due to the services not being available in the LWIA.
4. Signatory Sheet consisting of the Local Workforce Investment Board Chairperson, the Local Chief Elected Official(s) Chairperson, and the signature authority of all partnering agencies.
5. Executive Summary containing an executive summary as follows-
 - Attachment A which is a rollup of all partner's program or service provided, how the services will be provided, methods of referral, and personnel positions by title, part-time or full-time (if part-time, scheduled hours/days) by individual county facility.
 - Attachment B which is the Local Career Center System total budget rollup showing the source, amount of the funds and allocation method(s), and indirect costs, by each partnering agency by county facility; and
 - Attachment C which is a Local Career Center System total budget rollup depicting the partner agencies' total contribution.

Performance Outcome Measures

The WIA specifies core indicators of performance for workforce investment activities in adult, dislocated worker, and youth programs. Fifteen core measures apply to the adult, dislocated worker and youth programs, and two measures of customer satisfaction apply across these three funding streams, for a total of 17 required measures. **PAR will not verify outcome data, only the process to gather the outcomes will be reviewed.** For additional information, and a table of performance measures, please refer to **Exhibit 3**.

The outcomes are supported by the contracts in that the State Plan, as well as each local workforce area plan includes information regarding goals for each performance measure and how services will be provided

in order to achieve successful outcomes for each measure. Federal guidance describes the opportunity for additional program funds if performance goals are successfully achieved. There also are possible sanctions if performance goals are not met.

Career Center Fiscal Guidelines and Reporting

The Memorandum of Understanding which is implemented for each of the Career Centers is merely an agreement between the agencies as to the distribution of costs basis for various cost items. There are many types of agencies involved in the agreement. There are no required reports, no closeout reports, and no one method of payment delivery. Each may require different procedures depending on which agency is making lease payments or has a majority of shared staff working in the Career Center. Most of the questions do not apply to this type of agreement.